

Clean Buildings

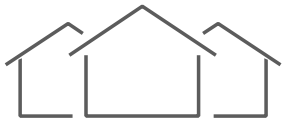
Early Adopter Incentive Program

JANUARY 13, 2021



Washington State
Department of
Commerce

We strengthen communities



**HOUSING
HOMELESSNESS**



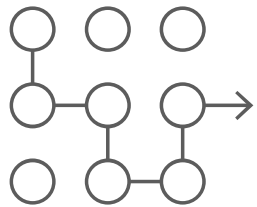
INFRASTRUCTURE



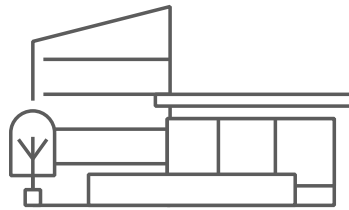
**BUSINESS
ASSISTANCE**



ENERGY



PLANNING



COMMUNITY FACILITIES



**CRIME VICTIMS &
PUBLIC SAFETY**



**COMMUNITY
SERVICES**

Commerce Clean Buildings Team

- Managing Director, Buildings Program – Emily Salzberg
 - Technical Lead – Luke Howard
 - Buildings Data Lead – Anna Batie
 - Administrative Coordinator – Annalyn Bergin
 - Incentive Program Manager – Anneka McDonald
 - Appliance Standard Manager – Brittany Wagner
-
- Webpage: www.commerce.wa.gov/buildings
 - Email: buildings@commerce.wa.gov

Agenda

- Meeting Objectives
 - Department of Revenue (DOR) Presentation
 - Who qualifies for the incentive program
 - Who can claim the credit and what taxes the credit can be applied to
 - Credit worksheet demonstration
 - How the credit can be carried forward and bought down
 - How and when the credit can be billed back to the taxpayer
 - How the Department intends to verify the credits claimed
 - Guidebook input to date
 - Comments received
 - Discuss areas of input
 - Outreach and Support

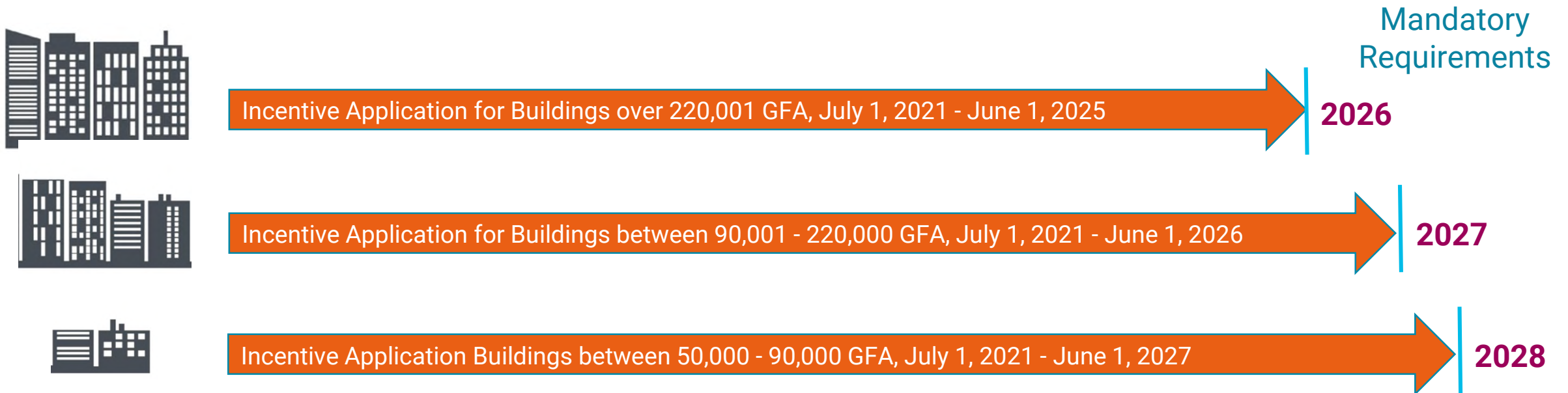
2020-2021 Schedule



* More workshops will be scheduled as needed.

Clean Buildings Standard & Early Adopter Incentive Program

- Applies to non-residential, hotel, motel, and dormitory buildings greater than 50,000 SF
- Commerce notifies building owners by July 1, 2021
- Early Adopter Incentive program begins July 1, 2021
- Mandatory Requirements begin 2026-2028



Commerce Early Adopter Incentive Program

- **RCW 19.27A.220**, provide incentives and regulations that encourage energy efficiency in all aspects of new and existing buildings, including building design, energy delivery, and utilization and operations.
- **RCW 19.27A.220 (4b)** The building's baseline energy use intensity exceeds its applicable energy use intensity target by at least 15 energy use intensity units;
- **RCW 19.27A.220 (6)** An eligible building owner that demonstrates early compliance with the standard established under RCW 19.27A.210 may receive a one-time base incentive payment of \$.85 per gross square foot of floor area, excluding parking, unconditioned, or semi-conditioned spaces.
- **RCW 19.27A.320** limit on early adoption incentive payments. Incentive funds are limited to \$75 million. Commerce will not qualify incentives beyond \$75 million.

Early Adopter Incentive Payment Administration

RCW 19.27A.240

- Qualifying utility, RCW 19.27A.140 (21) in the state of Washington must administer incentive payments.
- Any thermal energy company, electric utility, or gas company not otherwise required to administer incentive payments may voluntarily participate.
- A utility is not required to administer incentive payments if the utility is not allowed a credit against public utility taxes due.
- When a building is served by more than one entity administering incentive payments, incentive payments must be proportional to the energy use intensity reduction of the participating entities' fuel.
- Participation in the Early Adopter Incentive Program does not relieve any obligation that may otherwise exist or be established to provide customer energy efficiency programs or incentives.

Department of Revenue

Department of
Revenue
Washington State

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Public utility tax

What is the public utility tax?

It is a tax on public service businesses, including businesses that engage in transportation, communications, and the supply of energy, natural gas, and water. The tax is in lieu of the business and occupation (B&O) tax.

How do I pay the tax?

Effective July 2005, the Public Utility Tax became an [addendum](#) to the [Combined Excise Tax Return](#).

What rate do I pay?

There are different rates, depending on the specific utility activity:

| Activity | Rate |
|--|---------|
| Distribution of water | .05029 |
| Generation/distribution of electrical power | .038734 |
| Log transportation | .013696 |
| Telegraph companies, distribution of natural gas, and collection of sewerage | .03852 |
| Urban transportation and watercraft vessels under 65 feet in length | .00642 |

More information

[Tax Reference Manual \(pdf\)](#)

[Motor and Urban Transportation](#)

[Reduced public utility tax rate for log transportation businesses \(pdf\)](#)

References

[RCW 82.16](#)

[WAC 458-20-179](#)

[WAC 458-20-180](#)

[WAC 458-20-129](#)

Early Adopter Incentive Guidebook



Incentive Guidebook Input

Thank you for submitting comments.

- Remaining questions to resolve.
- Elements specified in statute Commerce does not have authority to modify
- Input we have incorporated.
 - 18 months to implement Energy Efficiency Measures
 - 18 months to provide Measure and Verification
 - An additional 6 to 12 month extension may be granted based on project scope.

Outreach and Support

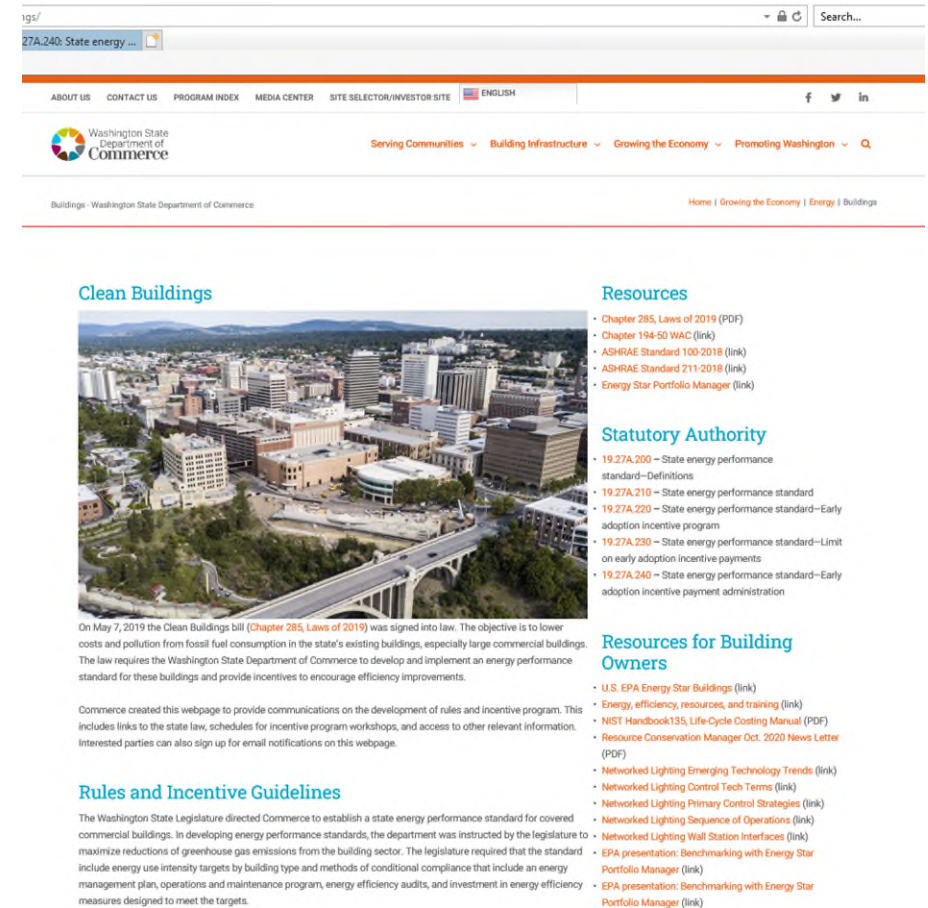


Outreach

- Clean Buildings Webpage

- <https://www.commerce.wa.gov/growing-the-economy/energy/buildings/>
- Workshop recordings
- Rules and incentive guidelines
- Energy Star Portfolio Manager trainings
- Resources for buildings owners
- Upcoming webinars
- Clean Buildings Standard & Early Adopter Incentive presentations

- Currently under redesign



Coming Soon...

- Building owner notification
- Clean Buildings Portal
 - Built-in applications
- New webpage
- Videos
- Customer Support Hotline
- Customer Support Program



Building Owner Notification

Building Owners notified no later than July 2021.

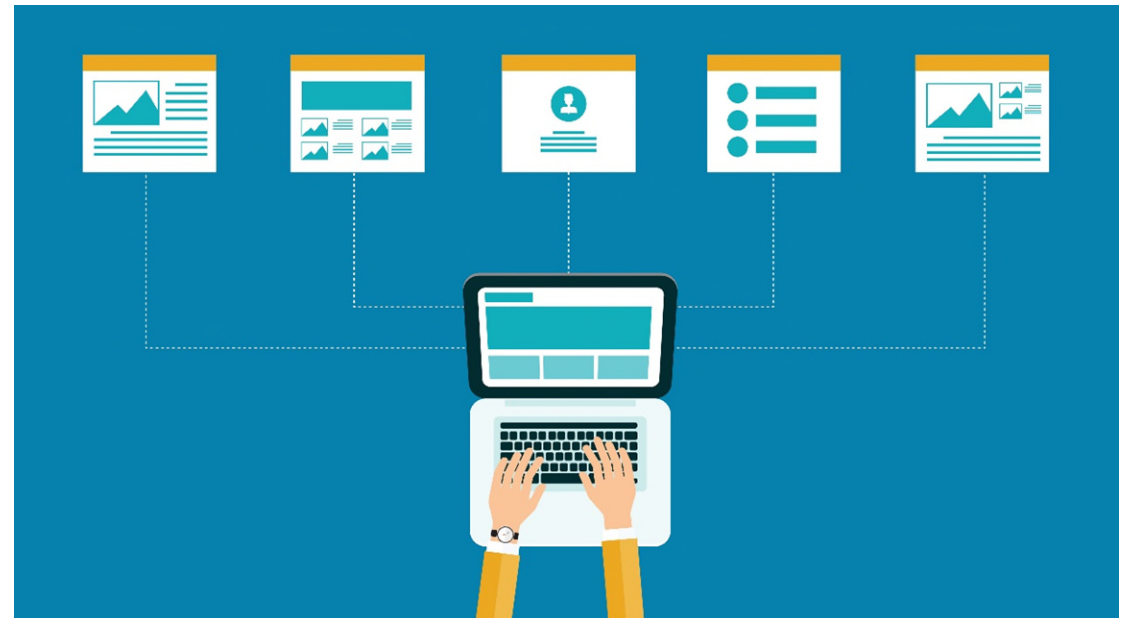
Notification will contain:

- Parcel information
- Building ID
- Instructions for Clean Buildings Portal and Secure Access Washington (SAW)
- Early Adopter Incentive Program and mandatory compliance

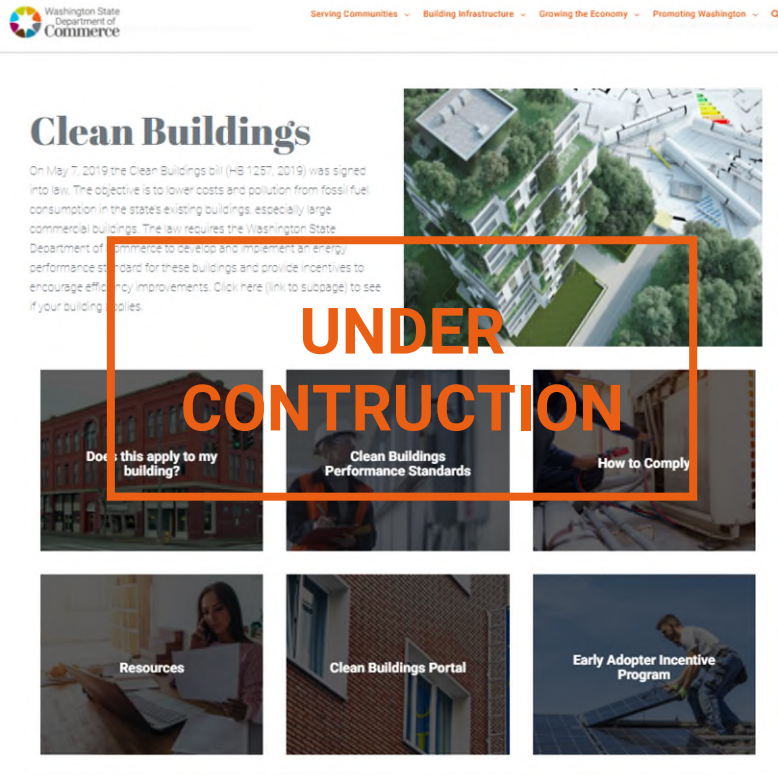


Clean Buildings Portal

- Unique building log in
 - Building information fields list
- Clean Buildings Standard forms
- Connect with ESPM
- Apply for the incentive program
 - Check the status of an application
- Apply for an exemption
- Error review and corrections



Clean Buildings Webpage

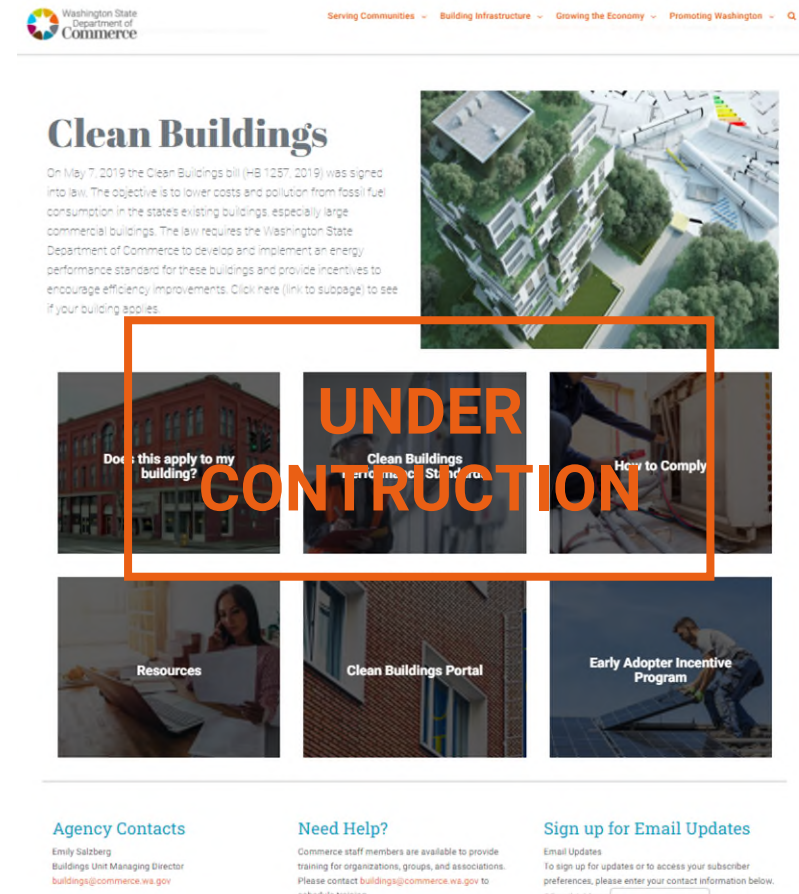


Headliners:

- Does this apply to my building?
 - FAQs
 - Flowchart
 - What can I do now?
 - Compliance dates
- Clean Buildings Performance Standards
 - Overview
 - Links to Clean Buildings legislation and reference standards
 - Archive material of rulemaking documents and workshops
- Clean Buildings Portal

Clean Buildings Webpage

- How to Comply
 - Flowcharts, Paths to Compliance
 - Checklists
 - Section Summarizations
 - ASHRAE Standard 100 & Amendments
- Early Adopter Incentive Program
- Resources



Videos

- Clean Buildings Overview
- Clean Buildings Standard
 - Annex Z
 - Forms
- Links to Energy Star Portfolio Manager Trainings on:
 - Portfolio Manager Series
 - Benchmarking
 - Cost Saving & Financing



Customer Support Request

- Developing EUI for multi-use buildings
- Commissioning
- What is a qualified energy auditor
- Trainings for facility managers (hospitals, schools and various industries)
- Emphasize and itemize energy efficiency trainings for building occupants
- Resources needed – calculators, templates, online tools, connecting to financing
- Sub metering
- Create a one-page diagram outlining the state's process of implementing the Clean Buildings Standard, a flow chart, which highlights what happens when and how.
- Target assistance in ways that will help more disadvantaged building owners and communities understand how and when to comply with this law
- Section 4 and Admin procedures

Customer Support Plan

- Overview of Current and Upcoming Clean Buildings Resources
- Smartsheet Request Form

The screenshot shows a web page from the Washington State Department of Commerce. The page title is "Incentive Guidelines and Development". It features a navigation bar with links for "Serving Communities", "Building Infrastructure", "Growing the Economy", and "Promoting Washington". The main content area is divided into three sections: "Upcoming meetings and comment deadlines", "Past webinars and incentive program resources", and "Rulemaking Documents".

Incentive Guidelines and Development

Upcoming meetings and comment deadlines

Incentives guidelines webinar #2

Jan. 13, 2021
10:00-11:30 a.m.

Commerce will be hosting a virtual-only webinar on incentive guidelines and development on Jan. 13, 2021. Meeting details and materials will be made available prior to the meeting.

- [Registration](#) (link)
- [Agenda](#) (link)
- [Resource catalog](#) (link)
- [Dept. Revenue Early Adopter Incentive Notice](#) (link)
- [Zoom](#) (link)
- Password: 12571
- Join-by-phone: (253) 215 8782
- Meeting ID: 860 5354 2671
- Passcode: 666534

Past webinars and incentive program resources

- [Stakeholder comments](#) (link)
- [Questions going forward](#) (PDF)
- [Draft guidelines](#) (.docx)
- [Past webinar materials](#) (PDF)

Rulemaking Documents

- [Part 3: To Efficiency and Beyond! How to Benefit from Benchmarking Compliance with Strategies for Improving Your Energy Performance](#) (link)
- [Stakeholder comments](#) (link)
- [CR-103 and supporting documents](#) (PDF)
- [CR-102 and supporting documents](#) (PDF)
- [CR-101](#) (PDF)
- [Past workshop materials](#) (PDF)

Sign up for Email Updates

Email Updates

To sign up for updates or to access your subscriber preferences, please enter your contact information below.

*Email Address

SUBMIT

Need Help?

Commerce staff members are available to provide trainings for organizations, groups, and associations. Please contact buildings@commerce.wa.gov to schedule a training.

Next Steps

- Submit input or ideas on Outreach and Customer Support Resources to buildings@commerce.wa.gov or the Smartsheet request form.
- Attend the April 28, 2021 webinar to discuss the Early Adopter Incentive, Equity and Inclusive Incentive Workshop.
- **Don't forget to visit the Clean Buildings web page and sign up for program updates at buildings@commerce.wa.gov.**

Thank you!



Washington State
Department of
Commerce

www.commerce.wa.gov

